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DEC 04 2002

GROUP 3600

Commissioner of Patents  
Washington, D.C. 20231

Re. Application No. 09/543,764 Art Unit: 3625  
Examiner: James Zurita

December 3<sup>rd</sup> 2002

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Dear Sir/Madam,

Following please find the following materials associated with the above identified application for patent:

- I. Letter of Transmittal on: 1 sheet;
- II. 'Applicant's Response to the Second Non-Final Office Action' including:
  - A. Acknowledgment of Action (pages 1 - 13);
  - B. Errors in Examination (pages 13 - 19);
  - C. Claim Language Distinguishing Over the Prior Art (pages 20 & 21);
  - D. Submission of Evidence Overcoming Grounds of Rejection (pages 22 - 24);
  - E. Summary and Request for Allowance (pages 24 - 27) on:  
27 sheets;
- III. 'Petition to Commission Under 37 CFR § 1.181(c) from Second Office Action' including:
  - A. Request for Reconsideration;
  - B. Repeated Action By Examiner;
  - C. Evidence of Inadequate Supervision;
  - D. Abrogation of Right to Appeal;
  - E. Summary and Request for Allowance on: 6 sheets;Total: 34 sheets.

Please file the above described materials in the above identified application for patent.  
Thank you kindly for your service.

Respectfully yours,

*Peter Gibson, Reg. #34,605*

Peter Gibson, Reg. #34,605; Ph. 410/358-5912; Fax -9636

## APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION

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## A. ACKNOWLEDGMENT OF ACTION

*Response to Amendment*

1. Applicant respectfully acknowledges examiner's statements that:

- a. "claims 1-30" were rejected in the first Office action dated 15 January 2002";
- b. "applicant amended claims 1-4, 6, 10, 16, 24, 34, and deleted claim 5";
- c. "applicant changed several terms" in these claims by amendment";
- d. "Applicant's arguments with respect to amended claims 1-4, 6, 10, 16, 24 and 34 have been fully considered but are moot in view of the new ground(s) of rejection";
- e. "Applicant's arguments with respect to claims 7-9, 11-15, 17-23 and 25-33 have been fully considered but they are not persuasive";
- f. "Claims 1-4, 6-34 remain and will be examined." (Page 2)

*Response to Arguments*

2. Applicant respectfully acknowledges Examiner's statements that "applicant argues that":

- a. "Rejection (as obvious) is rendered moot by Examiner admission that *Distributor Roles* 'does not disclose ordering, production, packing and delivery of liquid coatings'";
- b. "His invention is non-obvious and is (distinguished over the) prior art by (restriction to) ... 'containerized liquid coating products' which are wholly absent from the reference cited in the rejection"; (page 2)
- c. "The patentable novelty presented by the present claims in view of the prior art is a method for 'the direct supply for containerized liquid coating product ... by a supplier

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1 remote from a customer”;

2 d. “Since claims are limited to containerized liquid coating products, they are patentable  
3 over prior art”. (page 3)  
4

5 3. Applicant respectfully and gratefully acknowledges Examiner’s admission that  
6 “Examiner agrees that *Distributor Roles* does not mention liquid coatings.” (Page 3)  
7

8 4. Applicant respectfully acknowledges Examiner’s citation of *In re Keller*, (CCPA  
9 1981). (page 3)  
10

11 5. Applicant respectfully acknowledges Examiner’s statement that: “Applicant argues  
12 that Examiner’s statements constitute support of non-obviousness of his invention”. (page  
13 3)  
14

15 6. Applicant respectfully acknowledges Examiner’s statement that: “Reconstructions are  
16 based upon hindsight reasoning”, and are proper so long as “knowledge gleaned **only** from  
17 the applicant’s disclosure” is excluded, with citation of *In re Laughlin* (CCPA 1971). (pages  
18 3 - 4)  
19

20 7. Applicant respectfully acknowledges Examiner’s statement that: “the term unexpected  
21 results does not appear in the application”. (page 4)  
22

23 8. Applicant respectfully acknowledges Examiner’s statement that “Applicant’s

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arguments fail to comply with 37 CFR 1.111(b)". (page 4)

9. Applicant respectfully acknowledges Examiner's statement that "Applicant argues that":

a. "No valid teaching or suggestion has been given for combining or modifying the teachings of *Distributor Roles*";

b. "Examiner's statement that 'hardware stores and home improvement retailers sell a variety of products including paints and other liquid coatings' is unsupportive of rejection";

c. "Examiner's statements in support of obviousness rejection are only general references, speculation and conjecture, and"

d. "Examiner has failed to present evidence that prior art discloses, suggests or otherwise renders the invention obvious". (Page 5)

10. Applicant respectfully acknowledges Examiner's statement: "that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention". (Page 5)

11. Applicant respectfully recites in full Examiner's "basis for the rejections that follow":

*Distributor Roles* discloses an Internet order, production, fulfillment and delivery system for home improvement products. It is well known that home improvement products include liquid coating products. *Distributor roles* suggests that combining electronic commerce and home improvement products may affect role of retailers and distributors in the industry. The suggestion to

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1 combine *Distributor Roles* with generally known information exists in  
2 *Distributor Roles*. The motivation for combining is provided in motivation  
3 statements related to each of the claims.  
4

5 *Distributor Roles* teaches a direct supply electronic commerce order  
6 system and business method as applied to home improvement and building  
7 products. The system accepts customized orders from customers. Customer  
8 orders trigger assembly in a production system line to fulfill product order  
9 according to customer specifications. The orders are packaged in suitable  
10 containers and delivered directly from suppliers to customers, bypassing  
11 retailers and wholesalers in a supply chain. *Distributor Roles* suggests an  
12 increased role for distributors. Lowe's Superstore discloses a home  
13 improvement store and includes disclosure concerning special orders and  
14 liquid coatings such as paints. (Page 6)  
15  
16

***Claim Rejections - 35 USC § 103***

17  
18 12. Applicant respectfully acknowledges Examiner's "quotation of 35 U.S.C. 103(a)  
19 which forms the basis for all obviousness rejections set forth in this Office action". (page 6)  
20

21 13. Applicant respectfully acknowledges Examiner's rejection of claims 1 - 4 and 6 - 34  
22 "under 35 U.S.C. 103(a)." (Page 7)  
23

24 14. Applicant respectfully acknowledges Examiner's rejection of claims 1 - 4 and 6 "as  
25 being unpatentable over a publication entitled *Web Ordering May Alter Role of Distributors*.  
26 ... (*Distributor Roles*), in view of an article entitled *Lowe's Launches New Superstore in N.E.*  
27 *Dallas, TX* (hereinafter *Lowe's Superstore*), published on 10 February 1998 on PR  
28 Newswire." (Page 7)

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1 15. Applicant respectfully acknowledges Examiner's statement: "(a)s per claim 1,  
2 *Distributor Roles* discloses electronic business methods where customer may order  
3 customized products from a supplier who may ship the products directly to customer" and  
4 Examiner's statement that "(t)he steps include:" the same steps, (a) - (g), recited in the first  
5 Office action in verbatim recitation from claim 1 as originally filed except as noted by  
6 parenthetical omissions and underlined additions as indicated below:

7  
8 (a) placing by at least one consumer of a customer order directly with a  
9 remote supplier specifying customer order information [including indication  
10 of at least one liquid coating base, a color, a quantity, delivery address and  
11 identification of the customer];

12 (b) entering [said] customer order information into a customer order  
13 subsystem comprised of software maintained on a computer;

14 (c) compiling [said] customer order information with a computer and  
15 processing the results of this compilation to yield production parameters;

16 (d) operating, in observance of [said] production parameters yielded by  
17 [said] the production subsystem, [a containerized liquid coating production  
18 line capable of producing a plurality of particular, non-standard, color  
19 containerized liquid coatings with a precision in the addition of colorant to  
20 liquid coating base superior to the precision readily obtainable by a  
21 conventional local retailer];

22 (e) assembling containerized [liquid] coating product resulting from said  
23 production line fulfilling at least one individual customer order and packaging  
24 the resulting assemblage as required for shipment;

25 (f) transporting each [said] assemblage of [containerized liquid coating]  
26 product fulfilling each said customer order to the delivery address specified by  
27 the consumer in placing the customer order;

28 (g) whereby each said consumer obtains delivery of containerized liquid  
29 coating product directly to a specified address [which may be inclusive of  
30 particular, non-standard, colors of superior consistency with regard to color  
31 without need for the addition of colorant and by a local retailer to standard  
32 volume containers of liquid coating product]. (pages 7 - 8)

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16. Applicant respectfully recites in full Examiner's support of the above assertion regarding the disclosure of a portion of all the steps of the present claim 1 as originally filed with passages repeated from the first Office action emphasized in bold italics:

In *Distributor Roles*, See at least page 3, *The future that's already here, describing placing orders for home improvement products*, including customized products, entering customer order information into a customer order subsystem comprised of software maintained on a computer. See also at least references to special order, page 2, paragraph 8. For operating a production line, see at least *page 3, line 2, which describes product assembly*. See also at least *page 3, paragraph 4, describing drop-shipment*. See also at least *page 4, Delivering the Goods*. See rejection of claims 21, 22, 26-28, below, for discussion of integration of customer order, production and other sub-systems in client/server environment. See applicant's prior art disclosures concerning production lines, at least on pages 4-6 and 7-8 of application.

Customers may order home improvement products on the Internet, by entering data and product details (page 3, paragraph 12). See at least *page 3, paragraph 5*, which describes that even *the bulkiest home improvement products* may be ordered and ultimately delivered. See also at least *page 3, paragraph 1*, which *describes that orders may be taken electronically and products are shipped directly from manufacturers to consumers*. *Distributor Roles* also describes that orders may be processed for many product lines (page 2, paragraph 10) of many manufacturers. (Pages 8 - 9)

17. Applicant respectfully acknowledges Examiner's speculation regarding 'containerization' beginning with the sentence: "Like all liquids, liquid coating products such as paint require containerization." (Page 9) and ending with: "Collapsible plastic containers would most likely weigh less than rigid walled plastic containers, and cost less to deliver." (Page 10)

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1 18. Applicant respectfully, humbly, gratefully acknowledges and takes Official notice of  
2 Examiner's admission that: "*Distributor Roles does not specifically disclose ordering,*  
3 *production, packaging and delivery of liquid coating products.*" (Page 10)  
4

5 19. Applicant respectfully acknowledges Examiner's argument immediately following the  
6 above admission that:

7  
8 *Lowe's Superstore* discloses that home improvement retailers (e.g., HOME  
9 DEPOT, LOWE's) sell over 40,000 related home improvement products,  
10 including special order, custom products such as custom paints.

11 Therefore, it would have been obvious to one of ordinary skill in the art  
12 at the time the invention was made to disclose ordering, production, packaging  
13 and delivery of liquid coatings. One of ordinary skill ... would have been  
14 motivated to include ordering, production, packaging and delivery of liquid  
15 coatings for the obvious reason that liquid coatings are another type of product  
16 that is in great demand by customers for home improvements and for home  
17 building. Liquid coatings are often delivered to construction sites and  
18 customer addresses (drop shipments). (Page 10)  
19  
20

21 20. Applicant respectfully acknowledges Examiner's speculation immediately following  
22 the above cited passage:

23  
24 Very large orders may be shipped, ... Builders ... may also request large orders  
25 deliverable via railroad, trucks, and other shipment methods ... Distributors  
26 can provide their customers with economic benefits associated with just-in-  
27 time inventory, which reduces inventory costs to customers. (Pages 10 - 11)  
28  
29



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1     21.     Applicant respectfully and gratefully acknowledges Examiner's admission that:

2  
3         *Distributor Roles* and *Lowes Superstore* do not specifically disclose that liquid  
4         coating products may be containerized in rigid metal paint cans (as in claim 2),  
5         or that rigid metal paint cans may be partially filled (as in claim 3), or that  
6         liquid coating products may be containerized in molded plastic expandable  
7         containers (claim 4) or that molded plastic expandable container may possess  
8         a collar about an aperture which collar is gripped during operation of said  
9         production line (claim 6). (page 11)

10  
11  
12     22.     Applicant respectfully acknowledges Examiner's argument immediately following the  
13     admission recited directly above: "Prior art disclosed by applicant shows that liquid coating  
14     products, such as paint, may be containerized in rigid metal paint cans" and "Partial filling  
15     of a container produces savings in several areas, such as (a) manufacturing and (b) delivery."  
16     (Page 11)

17  
18     23.     Applicant respectfully acknowledges Examiner's speculation beginning with: "In  
19     manufacturing, manufacturers and distributors can save money when they acquiring  
20     materials" (page 11) and ending with "(t)his translates into reduced storage costs for the  
21     party placing the order." (Page 12)

22  
23     24.     Applicant respectfully acknowledges Examiner's statement, immediately following  
24     the speculation referenced directly above, that: "Therefore, it would have been obvious ...  
25     to disclose that liquid coating products may be held in rigid metal paint cans which may be  
26     partially filled and in molded plastic expandable containers which possess a collar about an

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1 aperture whose collar is gripped during operation of the production line.” (Page 12)

2  
3 25. Applicant respectfully acknowledges Examiner’s argument in support of the statement  
4 recited directly above that one of ordinary skill:

5  
6 would have been motivated to disclose that liquid product may be  
7 containerized in rigid meal cans, and in molded plastic expansible container,  
8 that the rigid metal paint cans may be partially filled and that the expansible  
9 containers possess a collar about an aperture whose collar is gripped during  
10 operation of the production line for the obvious reason manufacturers and  
11 customers want to reduce the costs incurred to engage in business. (Pages 12 -  
12 13)  
13  
14

15 26. Applicant respectfully acknowledges Examiner’s rejection of claims 7 - 10 “under  
16 U.S.C. 103(a) as being unpatentable over *Distributor Roles* in view of *Lowe's Superstore*”  
17 because, although “*Distributor Roles* and *Lowe's Superstore* do not provide details  
18 concerning how packages and shipments are specifically labeled” (page 13) these references  
19 “disclose customer ordering, shipping and delivery of home improvement products” and “it  
20 would have been obvious ... to apply product identification features to shipments of liquid  
21 coating home improvement products” (page 14) “for the obvious reason that doing so allows  
22 containers of liquid coating home improvement products to become part of the normal stream  
23 of commerce.” (page 15).  
24

25 27. Applicant respectfully acknowledges Examiner’s rejection of claims 11 - 16: “under  
26 35 U.S.C. 103(a) as being unpatentable over *Distributor Roles* in view of *Lowe's Superstore*

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1 *and disclosed prior art*" because "*Distributor Roles and Lowe's Superstore* disclose that  
2 home improvement products, including paints, may be sold from a manufacturer to  
3 distributor(s) as well as to customer(s)." (Page 15)  
4

5 28. Applicant respectfully and gratefully acknowledges Examiner's admission that:

6  
7 *Distributor Roles and Lowe's Superstore do not* state that operating a  
8 production line may include addition of blended liquid coating base ... or that  
9 blended liquid coating base may be obtained from a manufacturer ... or that  
10 one may use a pipeline ... or the method would include a step to identify the  
11 type of liquid coating base added upon the container (claim 14), or that the  
12 operation of a liquid coating production line includes the addition of colorant  
13 to a blended liquid coating-base (claim 15), or that the method would include  
14 a step of identifying the name of the color resulting from the colorant added  
15 upon the container (claim 16). (page 16)  
16  
17

18 29. Applicant respectfully acknowledges Examiner's argument immediately following the  
19 admission recited directly above:

20  
21 Applicant discloses prior art for production lines for liquid coating products  
22 (see at least application, page 4, through page 6, and pages 7-8).

23 Therefore, it would have been obvious ... to disclose that manufacturers  
24 may ship liquid home improvement products directly to distributors and  
25 customers in 55-gallon barrels or railroad tank cars ... to describe that the  
26 liquid product is transferred from a manufacturer's container to a tank for  
27 dispensing said liquid ... to include steps for identifying the type of liquid  
28 coating base added upon the container (claim 14), adding colorant to the  
29 blended coating base (claim 15) and identifying the resulting color (claim 16)  
30 (Pages 16 - 17)  
31

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1 because: "(o)ne of ordinary skill ... wold have been motivated to disclose that manufacturers  
2 may ... for the obvious reason that bulk purchases from a manufacturer is known to lower the  
3 overall costs of producing goods" and "raw materials must be integrated into a manufacturing  
4 process". (page 17)

5  
6 30. Applicant respectfully acknowledges Examiner's rejection of claims 17 - 20 and 23 -  
7 25 "under 35 U.S.C. 103(a) as being unpatentable over *Distributor Roles* in view of *Lowe's*  
8 *Superstore*." because "(o)ne of ordinary skill ... would have been motivated to combine the  
9 teachings ... for the obvious reason that liquid coatings are an integral part of home  
10 improvement products." (Page 18)

11  
12 31. Applicant respectfully acknowledges Examiner's rejection of claims 21, 22, and 26 -  
13 28 "under 35 U.S.C. 103(a) as being unpatentable over *Distributor Roles* in view of *Lowe's*  
14 *Superstore*." (Page 19)

15  
16 32. Applicant respectfully and gratefully acknowledges Examiner's admission that:  
17 "*Distributor Roles* and *Lowe's Superstore* do not specifically disclose configurations for  
18 distributing a production and a customer order subsystems". (page 20)

19  
20 33. Applicant respectfully acknowledges Examiner's rejection of claims 29 - 34 "under  
21 35 U.S.C. 103(a) as being unpatentable over *Distributor Roles* in view of *Lowe's Superstore*  
22 and further in view of an article entitled 'Welcome Homes on the Virginia Beach Tour - Visit  
23 a premier colonial revival-style home, painstakingly built and restored', (*Colonial*

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1     *Restoration by Ann Wright*" (page 20).

2  
3     34.     Applicant respectfully and gratefully acknowledges Examiner's admission that:

4             *Distributor Roles* and *Lowe's Superstore* do not specifically describe details  
5             such as identification of a plurality of particular, custom colors nor where  
6             assisting in the selection of a liquid coating product includes liquid based  
7             characteristics nor selection of liquid coating product appropriate to a given  
8             job as defined by information input by the customer, nor recommending a  
9             liquid coating base nor calculating volume for a given application as defined  
10            by customer input, nor that assistance in the selection of liquid coating product  
11            includes the suggestion of at least one particular, custom color based upon  
12            digital input by said customer, said digital input including but not limited to  
13            digital video input, digital photograph and digital modeling input. (Page 21)  
14  
15

16  
17     35.     Applicant respectfully acknowledges Examiner's argument that "*Colonial Restoration*  
18     discloses paint customization and matching for historical restorations (including) the use of  
19     custom colors for formulas that are no longer in production", that "one of ordinary skill in  
20     the art would have been motivated to include" (claims 29 - 34) "for the obvious reason that  
21     these are normal considerations when selecting liquid coating product bases and colors (page  
22     22) and "(o)ne of ordinary skill in the art would have known to include steps to facilitate  
23     customer selections and include requirement characteristics that would facilitate selection  
24     of custom colors, base, volume, among others." (Page 23)  
25

26     36.     Applicant respectfully acknowledges Examiner's argument, repeated verbatim from  
27     the first Office action, that "(o)ne of ordinary skill in the art would have known that since

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1 customers have specific needs, a web site might also include means for a customer to input  
2 digital video, digital photograph as well as digital solid modeling." (Page 23)

3  
4 37. Applicant respectfully acknowledges Examiner's final argument, repeated verbatim  
5 from the first Office action that:

6  
7 (o)ne of ordinary skill in the art would know that (CAD/CAM) systems have  
8 been widely used in industry for several decades (and t)hus, it would have  
9 obvious (sic) to include similar technology in the design of web sites for  
10 selection of custom liquid coating products for home improvement and for  
11 other uses (because b)y doing so, a manufacturer will increase customer  
12 satisfaction, resulting in additional sales and increased profits. (Page 23)

13  
14  
15 ***Conclusion***

16 38. Applicant respectfully acknowledges Examiner's direction of inquiry to his office,  
17 provision of telephone number for the same, Examiner's supervisor, and 'organization'  
18 facsimile transmission.

19  
20  
21 **B. ERRORS IN EXAMINATION**

22 ***Response to Amendment***

23 1. Applicant respectfully submits that Examiner was in error in stating that 'claims 1-30',  
24 (A.1.a. above), were rejected in the first Office action as all original claims 1 - 34 were  
25 rejected therein.

26 continued

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2. Applicant respectfully submits that Examiner was in error in stating that 'Applicant's arguments with respect to amended claims 1-4, 6, 10, 16, 24 and 34 ... are moot in view of the new ground(s) of rejection', (A.1.d. above), because:

a. the only new ground of rejection conveyed by the second Office action is comprised of *Colonial Restoration* which is relied upon in rejection only of claims 29 - 34 under 35 U.S.C. 103(a) (SOA, page 20);

b. 'Applicant's arguments with respect to amended claims' simply submitted evidence. i.e. Amendment A, overcoming the grounds of objection/rejection under 35 U.S.C. 112 as agreed upon in personal interview 3 April 2002:

i. "Claim(s) discussed: paragraph 112 rejections";

ii. "Agreement with respect to the claims f) ☒ was reached";

and recorded by Examiner in written summary of the same:

iii. "paragraph 112 objections discussed, overcome, application (sic) will file formal amdt and response; other 112 problems, will advise Mr. Gibson";

c. 'Claims 1-4, 6-34 remain and will be examined', (A.1.f. above), and no other rejection of 'claims 1-4, 6, 10, 16, 24 and 34' is referenced prior to this recognition that claims 1 - 4 and 6 - 34 'remain and will be examined'; and

therefore the 'arguments' regarding § 112 rejections were persuasive and cannot be deemed moot in view of new grounds of rejection unconcerned with either § 112 or claims 1 - 4, 6, 10, 16 and 24.

3. Applicant respectfully submits that Examiner was in error in stating that 'Applicant's arguments with respect to claims 7-9, 11-15, 17-23 and 25-33' (A.1. e. above) were 'not

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1 persuasive' because 'Claims 1-4, 6-34 remain and will be examined' (A.1.f. above), all these  
2 claims were rejected in the first Office action, and unless Applicant's arguments were  
3 persuasive these claims would not now remain to be examined.

4  
5 4. Applicant respectfully submits that Examiner was in error in stating that  
6 reconstructions based on hindsight reasoning are proper so long as 'knowledge gleaned only  
7 from the applicant's disclosure' is excluded (A.6. above) because:

8  
9 it is entirely improper to ask whether the invention 'is' or 'would be' obvious;  
10 the question is whether it 'would have been obvious'. *The judge* now knows  
11 all about the invention; he *must determine whether it would have been*  
12 *obvious to those who knew only about the prior art.*<sup>33</sup> He must view the prior  
13 art without reading into it the patents's teachings.<sup>34</sup> And although the person  
14 skilled in the art is presumed to know the art - indeed, he is pictured as  
15 working in his shop with the art hanging on the walls around him - *the art in*  
16 *question is only that which he would have selected without the advantage of*  
17 *hindsight* or knowledge of the invention.<sup>35</sup> ... *Hindsight is a tempting but*  
18 *forbidden zone*" (Robert L. Harmon, *Patents and the Federal Circuit*, 2<sup>nd</sup>  
19 Edition, The Bureau of National Affairs Inc., Washington, D.C., 1991, pages  
20 77-8, referencing:

21 <sup>33</sup>*Panduit Corp. v. Dennison Mfg. Co.*, 774 F.2d 1082, 227 USPQ 337 (Fed.  
22 Cir. 1985); *Rosemount, Inc. v. Beckman Instruments, Inc.*, 727 F.2d 1540, 221  
23 USPQ 1 (Fed. Cir. 1984).

24 <sup>34</sup>*Vandenberg v. Dairy Equip. Co.*, 740 F.2d 1560, 224 USPQ 195 (Fed. Cir.  
25 1984); *Kansas Jack Inc. v. Kuhn*, 719 F.2d 1144, 219 USPQ 857 (Fed. Cir.  
26 1983).

27 <sup>35</sup>*Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 228 USPQ 90 (Fed. Cir. 1985).

28  
29  
30 continued



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5. Applicant respectfully submits that Examiner was in error in citing the lack of the term 'unexpected results' in the present application (A.7. above) as grounds for rebuttal of Applicant's arguments that "paint is *priced* according to units comprised only by full containers and therefore the alteration in pricing enabled by internet ordering of liquid coating product produces an unexpected result" (SOA page 4) as use of this term in the application is neither necessary nor relevant in deciding whether certain results obtained from the claimed invention are unexpected in view of the prior art.

6. Applicant respectfully submits that Examiner was in error in stating that 'Applicant's arguments fail to comply with 37 CFR 1.111(b)', (A.8. above), because Applicant most certainly did specify, in the language of the claims, the distinctions patentably distinguishing the presently claimed invention over the prior art in written reply to the first Office action:

3. Applicant respectfully submits, in accordance with 37 CFR 1.11(b), that the language of present base claim 1 patentably distinguishes the presently claimed invention over the prior art cited in the first Office action by restricting said invention to "containerized liquid coating product" including a plurality of elements each specific to "containerized liquid coating product" which are wholly absent from the reference cited in rejection. (Page 21)

7. Applicant respectfully submits that Examiner was in error in stating that new grounds for rejection of claim 1 were presented in the second Office action because:

a. *Distributor Roles & Lowe's* were relied upon in rejection of claim 1 in the first Office action: "Besides liquid coatings, hardware stores and home improvement retailers (e.g., HOME DEPOT, LOWE's) often sell the following products" (FOA, page 8);

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1     b.     only *Distributor Roles* and *Lowe's* are relied upon in rejection of claim 1 in the  
2           second Office action;

3     c.     the same specific grounds, in at least six instances identified by emphasis with bold  
4           italics in the passage cited above in A.16, from the first Office action are relied upon  
5           in present rejection of claim 1.  
6

7     8.     Applicant respectfully submits that Examiner was in error in relying upon speculation  
8           as grounds for attributing presently claimed limitations regarding containerization to the prior  
9           art. (A.17. above)  
10

11    9.     Applicant respectfully submits that Examiner was in error in finding motivation for  
12           a combination of prior art in 'great demand by customers', (A.19. above), as this argument  
13           necessarily constitutes, and is supported only by, speculation (A.20. above).  
14

15    10.    Applicant respectfully submits that Examiner was in error in asserting that 'Partial  
16           filling of a container produces savings in several areas, such as (a) manufacturing and (b)  
17           delivery', (A.22. above) because only two areas are identified, not several, and both of the  
18           areas identified necessarily rely upon full containers for economic efficiency: partial filling  
19           of a container simply cannot produce savings in either manufacturing or delivery in  
20           comparison with full containers.  
21

22    11.    Applicant respectfully submits that Examiner was in error in attributing partial filling  
23           of rigid metal paint cans and use of expansible molded plastic containers to the prior art 'for

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1 the obvious reason manufacturers and customers want to reduce the costs incurred to engage  
2 in business' (A.26. above) because this is merely speculation, without any identified teaching  
3 or suggestion by the prior art.  
4

5 12.. Applicant respectfully submits that Examiner was in error in attributing the  
6 application of 'product identification features to shipments of liquid coating home  
7 improvement products' to the prior art 'for the obvious reason that doing so allows  
8 containers of liquid coating home improvement product to become part of the normal stream  
9 of commerce', (A.26. above), because this is, again, merely speculation without any  
10 identified teaching or suggestion by prior art.  
11

12 13. Applicant respectfully submits that Examiner was in error in attributing the claim  
13 limitations expressed in present claims 14 - 16 to the prior art 'for the obvious reason that  
14 bulk purchases from a manufacturer is known to lower the overall costs of producing goods'  
15 and 'raw materials must be integrated into a manufacturing process' (A.29. above) because  
16 the question of what was **known** in the prior art, not what **is known** from applicant's  
17 disclosure, is not addressed as indicated by the failure of Examiner to identify any teaching  
18 or suggestion in the prior art of said limitations and use of present tense.  
19

20 14. Applicant respectfully submits that Examiner was in error in predicating the  
21 'unpatentability' of claims 17 - 20 and 23 - 25 'over *Distributor Roles* in view of *Lowe's*  
22 *Superstore*' upon the premise that 'one of ordinary skill ... would have been motivated to  
23 combine the teachings ... for the obvious reason that liquid coatings are an integral part of

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1 home improvement products' (A.30. above) because:

- 2 a. the 'obvious reason', or fact, that liquid coating comprises an integral home  
3 improvement product is not a teaching or suggestion for combination of references  
4 and provides no motivation to combine any teachings;
- 5 b. in lieu of any prior art teaching or suggestion the combination must be assumed to  
6 derive from the present disclosure by Applicant as "(o)bviousness cannot be  
7 predicated on what is unknown" (Robert L. Harmon, *Patents and the Federal Circuit*,  
8 2<sup>nd</sup> Edition, The Bureau of National Affairs Inc., Washington, D.C., 1991, page 92,  
9 in reference to *In re Newell*, 891 F.2d 899, 13 USPQ2d 1248 (Fed. Cir. 1989); and
- 10 c. "The teaching or suggestion to make the claimed combination and the reasonable  
11 expectation of success must both be found in the prior art and not based on  
12 applicant's disclosure. *In re Vaeck*" (MPEP 706.02(j)).

13

14 15. Applicant respectfully submits that Examiner erred in using hindsight of Applicant's  
15 disclosure as clearly indicated by use of the present tense with regard to knowledge of one  
16 skilled in the art in support of rejection: 'one of ordinary skill in the art *would know* that  
17 (CAD/CAM) system ... (because) a manufacturer *will* increase customer satisfaction' (A.37.  
18 above) thereby.

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23 continued

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION****C. CLAIM LANGUAGE DISTINGUISHING OVER THE PRIOR ART**

1. Applicant respectfully submits that the following steps, in the language of present base claim 1, patentably distinguish the presently claimed invention over the prior art:

- a. placing by at least one consumer of a customer order directly with a remote supplier specifying customer order information including indication of at least one liquid coating base, a color, a quantity, delivery address and identification of the customer;
- b. operating, in observance of said production parameters yielded by said production subsystem, a containerized liquid coating production line capable of producing a plurality of particular, custom, color containerized liquid coatings with a precision in the addition of colorant to liquid coating base exceeding the precision readily obtainable by a conventional local retailer;
- c. assembling containerized liquid coating product resulting from said production line fulfilling at least one individual customer order and packaging the resulting assemblage as required for shipment;
- d. transporting each said assemblage of containerized liquid coating product fulfilling each said customer order to the delivery address specified by the consumer in placing the customer order;

2. Applicant respectfully submits in support of the submission made immediately above, and in accordance with the basic rules set forth in *Graham v. Deere Co.*, that the prior art does not disclose, teach, or suggest:

- a. 'placing ... of a customer order directly with a remote supplier specifying ... at least one liquid coating base, a color, a quantity, delivery address and identification of the

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION**

1 customer' because while the prior art discloses placing a customer order directly with  
2 a remote supplier, (*Distributor Roles*), the prior art is restricted in its disclosure in this  
3 regard by the lack of any mention of liquid coatings and hence the prior art can not  
4 teach or suggest specifying 'liquid coating base' in placing such an order;

- 5 b. 'operating, ... a containerized liquid coating production line capable of producing a  
6 plurality of particular, custom, color containerized liquid coatings with ... the addition  
7 of colorant to liquid coating base' because while the prior art discloses the availability  
8 of particular, custom, color containerized liquid coatings, (*Lowe's Superstores,*  
9 *Colonial Restoration*), a 'production line capable of producing' these custom coatings  
10 is wholly unknown in the prior art and hence there is no possibility of teaching or  
11 suggesting the operating of any production line inclusive of 'the addition of colorant  
12 to liquid coating base' in order to produce custom color liquid coatings;

- 13 c. 'assembling containerized liquid coating product resulting from said production line  
14 fulfilling at least one individual customer order' because the prior art does not  
15 disclose, suggest, or teach either 'said production line' or a customer order placed  
16 directly with a remote supplier specifying 'liquid coating base';

- 17 d. 'transporting ... containerized liquid coating product fulfilling each said customer  
18 order to the delivery address specified by the consumer in placing the customer order'  
19 because the prior art does not disclose placing customer orders 'directly with a remote  
20 supplier' for 'containerized liquid coating product' and hence cannot teach or suggest  
21 transporting such product to a 'delivery address specified by the consumer in placing  
22 the customer order'.

23 continued

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION****D. SUBMISSION OF EVIDENCE OVERCOMING GROUNDS OF REJECTION***§ 112 Objections & Rejections*

1. Applicant respectfully submits that Examiner agreed that the amendment proposed during personal interview 3 April 2002 met all § 112 objections and rejections conveyed in the first Office action, that no § 112 objections or rejections were conveyed in the second Office action, and therefore all outstanding objections and rejections under 35 U.S.C. 112 have been overcome by Amendment A as filed in reply to the first Office action.

*§ 103 Rejection*

2. Applicant respectfully submits that each of the four separate steps in the method of the presently claimed invention, demonstrated in C.1.a. - d. & C.2.a. - d. above to be undisclosed, untaught, and unsuggested by the prior art, comprise, in the language of sole base claim 1, grounds overcoming all outstanding rejection under 35 U.S.C. 103.

3. Applicant respectfully submits:

a. in summary of the:

iii. known prior art,

ii. claimed invention, and

iii. differences between the two;

c. that the known prior art is inclusive of:

i. computer network systems providing for the expansion of the role of distributors,

continued

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION**

- 1           ii.     home improvement centers selling containerized liquid coating product, and  
2           iii.     custom blending of liquid coating product;  
3       c.     but there is no mention of:  
4           i.     containerized liquid product, custom or otherwise, in expanding the role of  
5                 distributors,  
6           ii.     a production system capable of producing particular, custom, color liquid  
7                 coating product with the addition of colorant to liquid coating base by any  
8                 home improvement center or any other custom blended liquid coating product  
9                 provider; and hence  
10       d.     there is no teaching or suggestion in the known prior art of fulfilling customer orders  
11             for containerized liquid coating product, inclusive of a particular, custom, color, by  
12             a remote supplier using a production system that is unknown to the prior art; and  
13       e.     the claimed invention's delivery of containerized liquid coating product made by a  
14             remote production system adding colorant to liquid base capable of producing a  
15             plurality of particular, custom, colors directly to a customer in fulfillment of an order  
16             which may include a particular, custom, color, constitutes a previously unknown.  
17             untaught, unsuggested and hence novel capability patentably distinguishing the  
18             presently claimed invention over the prior art.  
19  
20       4.     Applicant respectfully submits that Examiner has necessarily made improper use of  
21             hindsight of Applicant's disclosure in combining prior art in reconstruction of the presently  
22             claimed invention because there is no mention of any production system adding colorant to  
23             liquid base capable of producing a plurality of particular, custom, colors: it is simply



**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION**

1 unknown to the prior art, and "(o)bviousness cannot be predicated on what is unknown"  
2 (Robert L. Harmon, *Patents and the Federal Circuit*, 2<sup>nd</sup> Edition, The Bureau of National  
3 Affairs Inc., Washington, D.C., 1991, page 92, in reference to *In re Newell*, 891 F.2d 899,  
4 13 USPQ2d 1248 (Fed. Cir. 1989).

**E. SUMMARY AND REQUEST FOR ALLOWANCE**

- 7 1. Applicant respectfully submits that the present response has been timely filed.
- 8
- 9 2. Applicant respectfully submits that all grounds of outstanding objection or rejection  
10 under 35 U.S.C. 112 have been overcome by Amendment A.
- 11
- 12 3. Applicant respectfully submits that all grounds of outstanding rejection under 35  
13 U.S.C. 103 have been overcome by:
- 14 a. the demonstration above that four steps of present claim 1 are undisclosed, untaught,  
15 and unsuggested by the prior art, that each step, in the language of said base claim,  
16 patentably distinguishes the presently claimed invention over the known prior art;
- 17 b. *Graham v. Deere* analysis: there is no suggestion in the prior art of fulfilling customer  
18 orders for containerized liquid coating product by a remote supplier using a  
19 production system adding colorant to liquid base capable of producing custom colors;
- 20 c. the demonstration above that hindsight of Applicant's disclosure is necessary for the  
21 combination of prior art reconstructing the presently claimed invention because there  
22 is no suggestion of any production system adding colorant to liquid base capable of  
23 producing a plurality of particular, custom, colors.

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION**

- 1     4.     Applicant respectfully submits that:
- 2     a.     the present application for patent was filed with a petition under MPEP 708.02 VIII
- 3           for accelerated examination based upon a full and proper search;
- 4     b.     the first Office action was dated over 21 months from the filing date and the second
- 5           Office action was dated over six months from the filing date of Applicant's Response
- 6           to the first Office action;
- 7     c.     said petition has been ignored in both content, i.e. discussion of prior art pertinent to
- 8           examination to, and intent, i.e. acceleration of, the current examination;
- 9     d.     the second Office action contains at least fifteen errors, identified in B. 1. - 15. above,
- 10          including error with regard to: the content of the previous Office action, prior art
- 11          relied upon in rejection conveyed by the first Office action, the content of the
- 12          Summary of the Interview, effect of Applicant's amendment, use of hindsight of
- 13          Applicant's disclosure in reconstructing the claimed invention from the prior art, use
- 14          of present tense in arguing obviousness;
- 15     e.     the second Office action is a repetition of the first Office action with regard to the
- 16          basic argument, the grounds of rejection utilized for base claim 1, and all other claims
- 17          except claims 29 - 34 for which a reference disclosing use of custom paints was added
- 18          to the same argument presented in the first Office action;
- 19     f.     "Under present practice, second or any subsequent actions on the merits shall be final,
- 20          except where the examiner introduces a new ground of rejection that is neither
- 21          necessitated by applicant's amendment of the claims nor based on information
- 22          submitted in an information disclosure statement" (MPEP 706.07(a);

continued

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION**

1 g. the second Office action was not made final and the only 'new' ground of rejection,  
2 *Colonial Restoration*, was relied upon in rejection only for claims 29 - 34; and  
3 therefore Applicant's rights to timely examination have been denied, Applicant's right to  
4 appeal any rejection repeated and properly made final has been abrogated, Applicant's  
5 arguments, presented in petition and response to Office action, have been ignored.

6  
7 5. Applicant respectfully submits that the present Response comprises:

- 8 a. "a writing which distinctly and specifically points out the supposed errors in the  
9 examiner's action" which replies "to every ground of objection and rejection in the  
10 prior Office action" and "presents arguments pointing out the specific distinctions  
11 believed to render the claims ... patentable over any applied references";  
12 b. "a *bona fide* attempt to advance the application ... to final action" by further  
13 "specifically pointing out how the language of the claims patentably distinguishes  
14 them from the references"; and

15 hence is in full accordance with 37 CFR 1.111(b) with regard to being entitled to  
16 reconsideration upon request following a non-final Office action conveying rejection.

17  
18 6. Applicant respectfully submits that all the grounds of all objections and rejections  
19 have been overcome, the presently claimed invention has been patentably distinguished over  
20 the prior art, and that the present application is in full and proper condition for allowance.

21  
22  
23 continued

Application No. 09/543,764

Art Unit: 3625

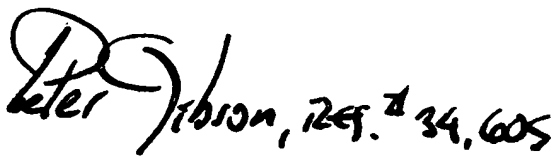
Examiner: James Zurita

Filed April 5<sup>th</sup> 2000 with MPEP 708.02 VIII **Petition** for Accelerated Examination

**APPLICANT'S RESPONSE TO SECOND NON-FINAL OFFICE ACTION**

1     7.     Applicant respectfully requests reconsideration, and for all the reasons given above,  
2     more specifically respectfully and humbly requests allowance of all pending claims.

3  
4     Respectfully yours,

5  
6       
7

8     Peter Gibson, Reg. #34,605

9     Tel. 410/358-5912; Fax -9636  
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